

When the President says, when we are already running record deficits, cut the revenue some more and increase spending—remember, the President's budget plan was not cut taxes and cut spending. The President's budget plan was to increase spending and to cut taxes, even when we have record deficits. The result is a massive explosion of debt, and it is the people's debt, make no mistake about that. In the future, when they come around to start to retire this debt, it is all of us who are going to be on the hook.

Maybe it is not going to be us. Maybe it is going to be our kids. Maybe that is the idea. Let us give ourselves big tax cuts. I would be a big beneficiary of those tax cuts.

I would get thousands of dollars of tax relief under this plan. I do not think it is right to give me a big tax cut now and shuffle it off to my kids and everybody else's kids. That is what is happening. That is, again, not my estimate of what is happening. This is from the President's own budget document. This is his long-term outlook of what happens if we adopt his plan. This is on page 43 of his analytical perspectives, and it shows the deficits now which, remember, these are record deficits. They look small on this chart because that is in comparison to what is to come. This is in percentage of GDP terms. This is not in dollar terms. So this is an apples-to-apples comparison.

Look what is going to happen if we adopt the President's spending and tax cut plan. The deficits explode, according to his own analysis of his own plan. It is not surprising why that is the case. This is the chart that tells it all. The blue bars are the Medicare trust fund. The green bars are the Social Security trust fund. The red bars are the tax cuts. What it shows is right now the trust funds are running big surpluses in anticipation of the retirement of the baby boom generation. But instead of using that money to pay down debt or prepay the liability, we are taking it and using it to pay for tax cuts.

What happens when those trust funds go cash negative when the baby boomers retire? Under the President's plan, at the very time the trust funds go cash negative, the cost of the tax cuts explode. Does this make sense? Is this really an economic growth plan? We are not talking about tax cuts now to give a lift to the economy when it is weak. We are talking about tax cuts that explode 10 and 15 years from now at the very time the expenses of the Federal Government explode because of the retirement of the baby boom generation.

Some are saying, well, deficits really do not matter. We do not need to worry about deficits anymore. The Chairman of the Federal Reserve Board thinks deficits matter. This is what he said to the Senate Banking Committee:

There is no question that as deficits go up, contrary to what some have said, it does affect long-term interest rates. It does have a

negative impact on the economy, unless attended.

He is exactly right. Deficits do matter. They always have. When Chairman Greenspan looks at this tax cut, here is what he says: Without spending reductions, they could be damaging to the economy.

With a large deficit, Mr. Greenspan said, you will be significantly undercutting the benefits that would be achieved from the tax cuts.

Not only is this time—

The PRESIDING OFFICER. The time of the distinguished Senator has expired.

Mr. CONRAD. I ask unanimous consent for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. One additional minute on the other side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, I conclude by saying not only is this plan ineffective in terms of giving lift to the economy and irresponsible in terms of the exploding deficits and debt, but it is also unfair. It is unfair because it overwhelmingly gives the greatest benefit to the wealthiest among us.

The effect of this plan on people earning over \$1 million in 2003 is this: They will get a \$64,000 tax cut on average. That is for those earning incomes of over \$1 million. Those who are in the middle of the wage distribution in our country will get a tax cut of \$233.

We heard earlier that this thing has tremendous benefits to the elderly. Well, it certainly does. It has tremendous benefits to those who are wealthy who are elderly. Elderly earning more than \$500,000 a year would get a \$24,000 tax break.

The PRESIDING OFFICER. The additional minute requested by the Senator has expired.

Mr. CONRAD. I ask unanimous consent for an additional 30 seconds.

Mr. REID. The same on the other side, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. I conclude by saying that if one is elderly and earns less than \$50,000 a year, they will get a \$90 tax reduction. If they are elderly and earn more than \$500,000, they get a \$24,000 tax reduction. That is not my idea of fair. That is not my idea of being effective for economic growth, and it is ultimately self-defeating because the plan is all financed by borrowed money.

The PRESIDING OFFICER. The additional 30 seconds requested by the distinguished Senator has expired.

Mr. REID. Parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. REID. When and if we complete the morning business—which I understand there is a minute and a half remaining; is that right?

The PRESIDING OFFICER. That is correct.

Mr. REID. What would be the order before the Senate at that time?

The PRESIDING OFFICER. There is 11 minutes remaining. I am in error.

Mr. REID. What would be the order following the majority using its 11 minutes?

The PRESIDING OFFICER. The Senate has an order to proceed to S. 2.

#### UNANIMOUS CONSENT REQUEST— H.J. RES. 51

Mr. REID. Mr. President, I ask unanimous consent at this time to proceed to H.J. Res. 51 prior to taking up the reconciliation bill. I ask unanimous consent to take into consideration the previous order that was entered regarding the debt limit. We have been told that the President must sign a bill increasing the debt limit by no later than Monday morning; that the country is in deep trouble with the debt.

I ask that we move to this matter. We have a unanimous consent agreement that would be in effect, and we could finish it in 1 day. I ask unanimous consent that we do that prior to moving to the tax bill.

The PRESIDING OFFICER. Is there objection?

Mr. THOMAS. I object.

The PRESIDING OFFICER. The objection is heard.

The distinguished Senator from Wyoming is recognized for 1½ minutes.

#### UNANIMOUS CONSENT REQUEST— MORNING BUSINESS

Mr. THOMAS. Mr. President, I ask unanimous consent that morning business be extended until 4:30 with the time equally divided.

The PRESIDING OFFICER. Is there an objection?

Mr. REID. I object at this time.

Mr. THOMAS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the Senator from Louisiana be recognized for up to 5 minutes and that immediately following his statement—he be recognized as in morning business—the Senate return to a quorum being called.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The distinguished Senator is recognized.

Mr. BAUCUS. Mr. President, before the Senator proceeds, the Senator has an important statement to make. I urge that all conversations cease, since this is an important statement and out of respect for the substance of his remarks.